

VZCZCXRO7931

PP RUEHAG RUEHAST RUEHBI RUEHCI RUEHDBU RUEHDF RUEHIK RUEHLH RUEHLN
RUEHLZ RUEHNEH RUEHPW RUEHROV RUEHSK RUEHSL RUEHSR RUEHVK RUEHYG
DE RUEHAH #1189 2601127
ZNR UUUUU ZZH
P 171127Z SEP 09
FM AMEMBASSY ASHGABAT
TO RUEHC/SECSTATE WASHDC 3488
INFO RUCPDO/DEPT OF COMMERCE WASHDC PRIORITY
RUEATRS/DEPT OF TREASURY WASHDC PRIORITY
RUCNCLS/ALL SOUTH AND CENTRAL ASIA COLLECTIVE
RUCNCIS/CIS COLLECTIVE
RUCNMEM/EU MEMBER STATES COLLECTIVE
RUEHAK/AMEMBASSY ANKARA 5689
RUEHBJ/AMEMBASSY BEIJING 3404
RUEHKO/AMEMBASSY TOKYO 3268
RUEHIT/AMCONSUL ISTANBUL 3932
RUCNDT/USMISSION USUN NEW YORK 1156
RHMCSUU/CDR USCENTCOM MACDILL AFB FL
RUEHVEN/USMISSION USOSCE 3915
RUEAIIA/CIA WASHDC
RHEFDIA/DIA WASHDC
RHEHNSC/NSC WASHDC
RUEKJCS/SECDEF WASHDC
RUEKJCS/JOINT STAFF WASHDC

UNCLAS ASHGABAT 001189

SENSITIVE

SIPDIS

STATE FOR SCA/CEN; EEB; NEA/IR
ENERGY FOR EKIMOFF/BURPOE/COHEN
COMMERCE FOR EHOUSE

E.O. 12958: N/A

TAGS: [EPET](#) [PGOV](#) [EINV](#) [UP](#) [TX](#)

SUBJECT: TURKMEN, UKRAINIAN LEADERS FAIL TO REACH GAS DEAL

REF: ASHGABAT 1135

[1](#)1. (U) Sensitive but unclassified. Not for public Internet.

[1](#)2. (SBU) Ukrainian President Viktor Yushchenko visited Turkmenistan September 14-16, participating in negotiations with Turkmen President Berdimuhamedov on September 15. As expected, the two Presidents did not reach agreement on resuming direct supplies of Turkmen gas to Ukraine, despite discussions that reportedly lasted two and a half hours. Moreover, the Turkmen media did not even report whether the gas supply issue was raised during negotiations. In a joint statement published in local newspapers, the two Presidents merely pointed out the importance of cooperation in the energy sector and various other industries.

[1](#)3. (SBU) During Yushchenko's visit, he and his delegation did manage to conclude the following non-energy agreements with the Turkmen: Cooperation Agreement between the Turkmen Institute of Transport and Communications and Ukraine's National Transportation University; Agreement on Establishing a Business Council between Turkmen and Ukrainian Chambers of Commerce and Industry; Agreement on Cooperation in the Area of Research and Protection of Species of Plants between the Turkmen Ministry of Agriculture and the Ukrainian Ministry of Agricultural Policy; and a Protocol on Cooperation between the Turkmen and Ukrainian MFAs.

[1](#)4. (SBU) On September 16, Berdimuhamedov and Yushchenko participated in the much-anticipated inauguration of a railway bridge over the Amu Darya River built by the Ukrainian state company Ukratransstroy (reftel). The bridge took eight years to complete and has been a source of bilateral tension between the two countries for some time. The two presidents also participated in a groundbreaking ceremony for a highway bridge to be built by another Ukrainian company, Altkom.

[1](#)5. (SBU) COMMENT: Although the Ukrainian head of state had

announced a direct gas deal with Turkmenistan as the main purpose of his trip, the Turkmen did not budge. Turkmenistan's ongoing gas deal negotiations with Russia, and Ukraine's unfortunate track record when it comes to construction jobs in Turkmenistan, certainly affected the Turkmen decision to leave a direct gas deal with Ukraine on the table. It's important to note that when Russian President Medvedov left Turkmenistan last week, President Berdimuhamedov gave him a prized Ahal-Teke horse. Ukrainian President Yushchenko, however, went back to Kyiv virtually empty-handed.

END COMMENT.

CURRAN